

Arizona Corporation Commission

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March 2 COAR COMMISSION DOCKET CONTROL

Arizona Corporation Commission DOCKETE

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**DOCKETED BY** 

Re:

Docket Control

HAND DELIVERED

1200 W. Washington St. Phoenix, AZ 85007

Notice of Delivery of Statement of Merger and Supplemental Transmission Tariff

Compliance Filing; Decision No. 74591;

Docket Nos. E-01773A-14-0018 & E-04100A-14-0018

Dear Sir or Madam:

In Decision No. 74591 dated July 30, 2014 (the "Decision"), the Commission approved the merger of Arizona Electric Power Cooperative, Inc. ("AEPCO") and Southwest Transmission Cooperative, Inc. ("SWTC"), with AEPCO as the surviving entity. On August 7, 2014, in compliance with the Second Ordering Paragraph on page 9 of the Decision, AEPCO filed SWTC's transmission tariffs<sup>1</sup> in AEPCO's name, bearing an effective date of the day immediately following the date upon which the merger would be completed and closed (a date that was unknown at that time). After consultation with the Commission's Legal Division and in order to clarify the effective date of the transmission tariffs under AEPCO's name, AEPCO filed a Status Report on October 6, 2015 in which it agreed to file a notice with Docket Control of the date upon which AEPCO delivers the articles of merger to the Commission pursuant to A.R.S. § 40-2144.

Pursuant to the Status Report, notice is hereby given that AEPCO delivered its Statement of Merger to the Commission on March 1, 2016. As indicated in the Status Report, AEPCO will file another notice with Docket Control once the Commission has accepted and filed the Statement of Merger, which notice will confirm the effective date of the transmission tariffs in AEPCO's name.

Finally, in Decision No. 75328 dated November 25, 2015 (which was after the Commission's issuance of the Decision, but prior to the close of the merger), the Commission approved SWTC's application to revise the Network Transmission Revenue Adjustor Tariff Rider. SWTC filed the revised Tariff Rider with Docket Control on December 2, 2015, in Docket No. E-04100A-12-0353, with an effective date of December 1, 2015. In light of the Commission's approval of the revised Tariff Rider and the anticipated completion of the merger,

<sup>&</sup>lt;sup>1</sup> Specifically, AEPCO filed the following tariffs: Network Transmission Service Tariff; Point-to-Point Transmission Service Tariff; Ancillary Services Tariff; Network Transmission Revenue Adjustor Tariff Rider; and Network Transmission Revenue Adjustor Plan of Administration.

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enclosed are the original and 15 copies of the revised Network Transmission Revenue Adjustor Tariff Rider in AEPCO's name with an effective date of the day immediately following the date upon which the merger is completed and closed, which will be confirmed by AEPCO's second notice filing pursuant to its October 6, 2015 Status Report.

Thank you for your assistance with this matter.

Sincerely,

GALLAGHER & KENNEDY, P.A.

By

Jennifer A. Cranston

JAC:njk Enclosure 5275717v1/10421-0069

cc (w/enclosure):

William P. Sullivan, Attorneys for MEC (mailed)

Michael A. Curtis, Attorneys for MEC (mailed)
Michael W. Patten, Attorneys for Trico (mailed)

**Original and 15 copies** filed with Docket Control this 2nd day of March, 2016.

### ARIZONA ELECTRIC POWER COOPERATIVE, INC.

# NETWORK TRANSMISSION REVENUE ADJUSTOR (TRA)

#### TARIFF RIDER

### TEMPORARY\*

Effective Date:

This tariff will take effect and apply to all network transmission service provided by Arizona Electric Power Cooperative, Inc.

("AEPCO") the day immediately following the date upon which the merger of Southwest Transmission Cooperative, Inc. into AEPCO is

completed and closed.

### APPLICABILITY OF NETWORK TRANSMISSION REVENUE ADJUSTOR (TRA)

Applicable to all customers that receive service under AEPCO's Network Transmission Service Tariff.

# TERMS AND CONDITIONS OF TRANSMISSION REVENUE ADJUSTOR (TRA)

The TRA adjusts AEPCO's monthly Network Transmission Service Revenue Requirement and its monthly Mohave 2 Network Transmission Service Revenue Requirement (collectively, the "NTS Revenue Requirements") in the event of the addition of a long term point-to-point transmission service agreement ("Firm Point-To-Point Contract"), defined as a firm (i.e., includes a monthly capacity charge), non-energy based, point-to-point contract that is of a term one year or longer.

In the event that an additional Firm Point-To-Point Contract is entered into, the Company's monthly NTS Revenue Requirements in effect at the time the contract takes effect will be adjusted downward.

Only those revenues derived from the actual transmission service component of a Firm Point-To-Point Contract shall be used in calculating the TRA adjustment. System Control and Load Dispatch revenues and any other Ancillary Service revenues associated with the Firm Point-To-Point Contract(s) will not be included in the calculation of the TRA adjustment.

1

Source: SWTC Network TRA Tariff Rider
A.C.C. Decision Nos. 74172 & 75328
Original Effective Date: November 1, 2013
Adjustor Effective Date: December 1, 2015
Transferred to AEPCO:

Transferred to AEPCO A.C.C. Decision No. 74591 10421-69/5275737

# **RATE**

As of the Effective Date of this Rider, the following TRA amounts would be applied as credits to the NTS Revenue Requirements as specified in the Network Transmission Service Tariff:

\$36,008

\*These revised rates will remain in effect until Commission approval of a subsequent TRA adjustment in response to an additional Firm Point-To-Point Contract.

2

Source: SWTC Network TRA Tariff Rider A.C.C. Decision Nos. 74172 & 75328 Original Effective Date: November 1, 2013 Adjustor Effective Date: December 1, 2015

Transferred to AEPCO A.C.C. Decision No. 74591 10421-69/5275737